

M e m o r a n d u m

To: Panel Members

Date: September 22, 2006

From: Diana Torres, Manager

Analyst: C. Robinson

Subject: One-Step Agreement for **COMPREHENSIVE TRAINING SYSTEMS, INCORPORATED (W2W)**

CONTRACTOR:

- Multiple Employer: Training Agency
- Training Project Profile: Job Creation: Training Of Unemployed Workers Welfare to Work (W2W) Pilot Program
- Legislative Priorities: Displaced/Potentially Displaced Workers
- Type of Industry: Various Industries
- Repeat Contractor: Yes
- ETP Trainees Represented by Union: No
- Name and Local Number of Union Representing ETP Trainees: N/A

CONTRACT:

- Program Costs: \$261,525
- Substantial Contribution: \$0
- Multiple Employer Support (12%) \$25,070
- Total ETP Funding: \$286,595
- Total In-kind Contribution: \$0
 - *Trainee Wages Paid During Training:* -0-
 - *Other Contributions:* -0-
- Reimbursement Method: Fixed-Fee
- County(ies) Served: San Diego
- Location of Training: 100% Center Based; 0% Employer Site

INTRODUCTION:

This is the thirteenth ETP-funded project proposed by Comprehensive Training Systems, Incorporated (CTS) in San Diego County and the fourth in the last five years. CTS is eligible to provide ETP training as a repeat public training agency with a history of providing training and placement services to the public under California Unemployment Code 10205 (c)(2) as a training agency. CTS requests funds for training and employment of CalWORKS eligible trainees as a W2W Pilot Program for new hires.

MEETING ETP GOALS AND OBJECTIVES:

CTS proposes training that will further the following ETP goals and objectives:

- 1) Training focuses on training unemployed workers in industry specific training for specialized occupations that will lead to long-term, full-time employment. This project meets ETP's legislative priority to fund training that will result in secure jobs for those who successfully complete training.
- 2) Training is targeted to foster the goal of creating jobs for current/former CalWORKs recipients who are hard-to-employ, may have limited reading and math skills, and have multiple barriers to employment. By upgrading the employment skills of these workers, training will meet ETP's legislative mandate to invest in creating a skilled and productive workforce.
- 3) This training plan also concentrates on unemployed workers; therefore, it meets the legislative priority of training workers who have been displaced.

TRAINING PLAN TABLE:

Grp/Trainee Type	Types Of Training	No. Retain	No. Class/Lab Videocnf. Hrs.	No. CBT Hrs.	Cost Per Trainee	Hourly Wage After 90 Days
Job Number 1 Welfare 2 Work New Hire	Commercial Skills	25	365	-0-	\$6,000	\$8.25 - \$20.00
Job Number 2 Welfare 2 Work New Hire	Computer Skills	15	312	-0-	\$5,129	\$8.25 - \$13.75
Job Number 3 Welfare 2 Work New Hire	Computer Skills	10	195	-0-	\$2,761	\$8.25 - \$11.75
Job Number 4 Welfare 2 Work New Hire	Manufacturing Skills	10	168	-0-	\$3,205	\$8.25 - \$14.37
Wages After 90-Day Retention						
<u>Occupation</u>						
Medical Insurance Biller/Receptionist (Job 1)						
Medical Assistant (Job 1)						
Building Maintenance Worker (Job 1)						
Administrative Assistant (Job 2)						
Manufacturing Worker (Job 3)						
Data Entry Clerk/Receptionist (Job 4)						
<u>Health Benefits Used To Meet ETP Minimum Wage:</u>					<u>Turnover Rate</u>	<u>% Of Mgrs & Supervisors To Be Trained:</u>
Although some employers pay health benefits for employees, health benefits are not being used to meet the W2W New Hire wage of \$8.25 for San Diego County.					20% or less	-0-
<u>Other Employee Benefits:</u>						
Pension and other employee benefits will vary among employers.						

COMMENTS / ISSUES:

➤ *Welfare to Work Trainee Wage Waiver*

The ETP minimum new hire wage for San Diego County is \$10.26 per hour. CTS requests a waiver of this amount for all W2W trainees in the proposed Agreement to \$8.25 per hour after retention. This amount is within the 25% differential set forth in the Panel's pilot program W2W guidelines.

➤ *High Training Costs (Job Number 1) & Catalogue Rates*

ETP's fixed fee rate for new hires/W2W is \$17 per trainee hour, however, CTS's commiserate catalogue rate for 2006-2007 is \$15 per trainee hour. Therefore, the revised fixed fee rate for the proposed training plan is \$15 per trainee hour. Job 1 involves more training hours (365) and a higher cost per trainee (\$6,000) than standard new hire training projects, however, additional training hours are needed due to the skills needed to perform the job duties for Job 1 trainees, therefore because this is a Welfare 2 Work Pilot Project, the standard cap on New-Hire costs of \$4,740 per trainee does not apply.

➤ *Apprenticeship*

Building Maintenance Worker

The Panel's enabling Legislation and apprenticeship policy requires that training programs shall not replace, parallel, supplant, compete with or duplicate in any way already existing approved apprenticeship programs. ETP's current Apprenticeship Policy Directive names the Division of Apprenticeship Standards (DAS) as a credible source of information and was used to determine whether CTS's proposed building maintenance training replaces, parallels, supplants, competes or duplicates an approved apprenticeship program in the San Diego area.

DAS confirms that there is no existing Apprenticeship program in the San Diego area specifically for building maintenance workers. Therefore, the proposed building maintenance worker training does not compete with any Building Maintenance Apprenticeship Programs in San Diego County. During the approval of CTS's current Agreement, the apprenticeship issue was discussed by the Panel and it concluded that the building maintenance training was in compliance with ETP's Apprenticeship Policy.

➤ *Frontline Workers*

All participants in this project meet the Panel definition of frontline workers under Title 22 California Code of Regulations Section 4400(ee).

COMMENTS / ISSUES: (continued)

➤ ***Production During Training***

The proposed Contractor agrees that during ETP-funded training hours, trainees will not produce products or provide services which will ultimately be sold.

RECOMMENDATION:

Staff recommends that the Panel approve CTS's request for ETP funding to support the training of 60 CalWORKS eligible trainees which will provide them the skills necessary to enter into secure full-time employment. Additionally, staff recommends that the Panel approve the \$8.25 wage as a waiver to the ETP minimum new hire wage.

NARRATIVE:

CTS, is a non-profit, Community-Based Organization (CBO) that has been providing employment and pre-employment training services since 1985. It also conducts non-ETP-funded classes in Computer Repair and Office Administration training for a few private paying and State Workforce Investment Act (WIA) funded trainees. In addition to ETP and WIA funding, it receives funding from the Sweetwater Union High School District for Vocational English as a Second Language (VESL) training.

CTS operates training facilities in San Diego, Oceanside, and Imperial Beach, California. CTS has current Bureau for Private Post Secondary and Vocational Education (BPPVE) Institutional Approval for several different training programs including A+ Certification, Administrative Assistant, Basic Manufacturing Techniques, Building Maintenance, Composite Fabrication, Computer Network Technician, Computer Repair/Service Technician, Construction, Medical Assistant, Medical Receptionist/Billing Clerk, Microcomputer Operator, Network Certification, Vocational English as a Second Language, and Website Design. In its current ETP Agreement (ET06-0101), CTS delivers training for building maintenance worker, medical receptionist/billing Clerk, medical assistant, and manufacturing worker.

Employer Demand

The Panel requires multiple employer contractors to provide evidence of employer demand for training. According to information published in 2006 by the San Diego Association of Governments (SANDAG), the Employment Development Department's Labor Market Information Division (LMID), and the San Diego Workforce Partnership (SDWP), there is employer demand for all of the occupations included in CTS's application due to expansion within the healthcare, business services/office support, homeland defense/manufacturing, and building maintenance industries. Utilizing this information, CTS representatives ascertained that San Diego County has a current annual need for 670 medical assistants, 800 medical billers/receptionists, 661 administrative assistants, 763 data entry clerks/receptionists, 953 building maintenance workers, and 580 manufacturing workers. In addition, SANDAG, LMID,

NARRATIVE: (continued)

and SDWP publications also indicate that estimated employer demand for these particular occupations will increase between 11 and 30 percent over the next four years in San Diego County.

CTS also works closely with employer Industrial Advisory Boards (IABs) that represent various local medical groups, businesses, building maintenance organizations, and Manufacturing Advisory Boards (MABs) who meet on a quarterly basis at CTS facilities to offer updates and input to the CTS curricula. CTS reports that the IABs recently requested additional trained manufacturing workers, qualified office personnel including administrative assistants and data entry clerks/receptionists to fill vacant positions. The healthcare industry, represented by local medical groups serving on IABs, continues to report the need for well trained medical assistants and medical biller/receptionists to fill vacant positions. Additionally, MABs representing several defense manufacturers report increased business in homeland security and a need for qualified manufacturing workers.

This W2W pilot program proposes to train 60 CalWORKs eligible trainees in Commercial Skills, Computer Skills, and Manufacturing Skills to prepare them for entry level positions in industries including healthcare, business services, manufacturing, and building maintenance. The proposed 168 to 365 hours Class/lab Curriculum is summarized below.

Commercial Skills

The occupations of medical assistant, medical insurance biller/receptionist, and building maintenance workers will receive 365 hours of Class/lab training in various Commercial Skills topics relating to the skills needed for these positions. Medical assistant training will focus on medical office related procedures/materials, first aid, anatomy, and pharmacology. Medical biller/receptionist training includes medical terminology, anatomy, insurance billing/bookkeeping, and medical correspondence topics. Building maintenance workers will receive training relating to basic pool/appliance/heating/air conditioning maintenance, sprinklers, and lighting/wall/door repair. They will also learn when to seek professional assistance from the trades for maintenance or repair work beyond the scope of their limited capability.

Computer Skills

Trainees in the occupations of Administrative Assistant and Data Entry Clerk/Receptionist will receive 312 or 168 hours respectively of Class/lab training in Computer Skills. Because trainees for these occupations generally lack any basic computer related skills, they will need to receive training in basic keyboarding, computer, and office skills to prepare them for entry level positions in various business environments.

Manufacturing Skills

Manufacturing Worker trainees will need to receive 195 hours of Class/lab training in basic shop and manufacturing-related skills. They will receive an introduction to manufacturing processes and training in shop safety practices, basic shop math, and manufacturing techniques/

NARRATIVE: (continued)

applications. This training will prepare them for placement into entry level manufacturing positions that focus on electronic assembly and other manufacturing production related activities.

Trainee Recruitment Plan:

CTS representatives state that they currently serve on a San Diego County steering committee to review new strategies focused on increasing the participation of CalWORKS recipients in work-related training. They report CTS staff will continue to serve on this committee to insure that the proposed training plan addresses CalWORKS' training needs and is marketed to SDHHS effectively. CTS staff will also make bi-weekly presentations to San Diego County Employment Case Managers (ECM's) to hand out flyers describing training opportunities and the benefits of referring clients to CTS for training. CTS representatives state that additional trainees will be referred to CTS as a result of its commitment to comply with submission of monthly W2W required documentation.

SUBCONTRACTORS:

None

THIRD PARTY SERVICES:

Applicant states that no consultant services were or will be used in this Agreement.

PRIOR PROJECTS:

The following are completed project statistics for ETP Agreements with this Contractor within the last five years:

PRIOR PROJECTS				
Agreement Number	Location (City)	Term	Contract Amount	Amount Earned
ET01-0103	Imperial Beach San Diego Oceanside	07/17/00 - 07/16/02	\$311,200	\$236,512 76%
ET02-0200	Imperial Beach San Diego Oceanside	12/31/01 - 12/30/03	\$526,950	\$444,980 84%
ET04-0439	Imperial Beach San Diego Oceanside	10/06/03 - 10/05/05	\$622,400	\$491,696 79%

ACTIVE PROJECTS:

The following are current project statistics:

ACTIVE PROJECTS						
Agreement Number	Agreement Amount	Term	Planned Number To Be Retained	Number Enrolled	Number Completed Training	Number Retained For 90 Days
ET06-0101	\$560,160	07/06/05-07/05/07	100	80	52	22

COMPREHENSIVE TRAINING SYSTEMS, INCORPORATED

MENU CURRICULUM

Trainees will receive any of the following types of training:

Job Number 1
Hours
Class/Lab
365

Commercial Skills

Medical Assistant

- Medical Office Procedures
- Medical Terminology and Forms
- Medical Reference Materials
- Basic First Aid and Cardio Pulmonary Resuscitation (CPR)
- Basic Math
- Anatomy and Physiology
- Medical Assisting Procedures
- Pharmacology
- Laboratory Procedures
- Clinical Injections and Venipuncture Procedures

Medical Insurance Biller/Receptionist

- Medical Office Procedures
- Medical Terminology
- Anatomy and Physiology
- Medical Insurance Billing
- Medical Bookkeeping
- Medical Correspondence

Building Maintenance Worker

- Introduction to Building Maintenance
- Pool Maintenance
- Sprinklers
- Lighting Repair
- Wall and Door Repair
- Bathroom and Kitchen Fixtures
- Basic Appliance Repair
- Basic Heating and Air Conditioning Maintenance

COMPREHENSIVE TRAINING SYSTEMS, INCORPORATED

MENU CURRICULUM – (continued)

Job Number 2
Hours
Class/Lab
312

Computer Skills

Administrative Assistant

- Basic Computer Literacy
- Introduction to Microsoft Office
- Introduction to Excel
- Introduction to PowerPoint
- Introduction to Access
- Internet Usage
- Office Procedures

Job Number 3
Hours
Class/Lab
195

Manufacturing Skills

Manufacturing Worker

- Introduction to Manufacturing
- Shop Procedures
- Basic Shop Math
- Precision Tools and Measuring Instruments
- Basic Blueprint Reading
- Basic Manufacturing Applications
- Basic Manufacturing Techniques
- Welding/Soldering Terminology
- Electrical Circuit Terminology
- Solar Blade Assembly
- Curing
- Sanding
- Bagging
- Bonding
- Lay-ups

COMPREHENSIVE TRAINING SYSTEMS, INCORPORATED
MENU CURRICULUM – (continued)

Job Number 4
Hours
Class/Lab
168

Computer Skills

Data Entry Clerk/Receptionist

- Basic Computer Literacy
- Introduction to Microsoft Office
- Introduction to Excel
- Introduction to PowerPoint
- Internet Usage

Comment: The parties agree that the training identified in this Curriculum may be revised from time-to-time during the term of this Agreement at the request of Contractor and with the prior written approval of ETP. (See also Section 12 in this Agreement.)